

Addendum No. 1, RFP/Q No. 19-116

Proposed Marijuana Establishment, City of Springfield, Phase I

Date of Addendum: April 22, 2019

REVISED RFP/Q Due Time: May 20, 2019 2:00 P.M.

#### Ladies and Gentlemen:

This is an addendum to the above RFQ/P. Special attention should be given to this addendum to preserve the validity of any bid submitted in response to this request. Please note the bid opening date has been **REVISED**. The **REVISED** Bid opening time is now May 20, 2019 at 2:00 P.M. EST.

**Item No. 1**: **Revised Bid Opening Time**. Please note the **REVISED** RFP/Q submission due time of **2:00 P.M. EST on May 20, 2019**.

<u>Item No. 2</u>: Please confirm there are no additional submissions (permits, special permits, proposals, and/or qualifications, etc.) necessary or required other than RFQ/P 19-116 to be considered by the City of Springfield for approval to operate as a Marijuana Establishment.

<u>City Response</u>: There are additional submissions necessary/required for approval to operate as a Marijuana Establishment in the City of Springfield. RFQ/P 19-116 is for the selection of a Proposed Marijuana Establishment to negotiate and execute a Host Community Agreement only.

<u>Item No. 3</u>: Is the City requesting a pre-qualification and/or letter of intent prior to April 15, 2019?

<u>City Response</u>: It is unclear what a pre-qualification letter and/or letter of intent refers to, so the City is not requesting a pre-qualification letter and/or letter of intent prior to April 15, 2019. April 15, 2019 was the initial date for the submission of written questions from proposers regarding RFQ/P 19-116. The date was extended to April 16, 2019 due to Patriot's Day being a Massachusetts holiday and Springfield City Hall being closed.

<u>Item No. 4</u>: We have tried to locate information in this regard from the city website but have failed. We have located the Massachusetts State sanitary code as it pertains to residences, but this hardly seems relevant to a commercial property. Could you please provide us with information that describes where we may locate the sanitary code and specific inspection procedures to which this paragraph refers?

<u>City Response</u>: This paragraph refers to the sanitary requirements and inspection procedures as described in the Cannabis Control Commission regulations cited as 935 Code of Massachusetts Regulations 500.000.

<u>Item No. 5</u>: As neither scientists, medical doctors, or other "experts" are able to agree on the adverse or beneficial effects of marijuana with respect to public health and safety, nor the duration of any effects, it would seem unlikely that you anticipate that license applicants will be able or qualified to do so. Please explain what the city hopes to learn from these questions so that we may better respond to them.

<u>City Response</u>: The City is requesting information on the effects related to the operation of the facility, not the effects of the personal use of marijuana.

<u>Item No. 6</u>: On page 4, SECTION 1: INTRODUCTION, Sub-section F. SELECTION CRITERIA, paragraph iv. Public Health & Safety, applicants are asked to describe the commitments, policies, programs, incentives or other benefits to mitigate any adverse effects associated with the Project...QUESTION - What are the adverse effects assumed in the above paragraph?

**City Response**: See response above.

Item No. 7: After page 4, SECTION 1: INTRODUCTION, Sub-section F. SELECTION CRITERIA, paragraph vii. Community Outreach there is an unnumbered paragraph that states the following; The City is contemplating the use of a consultant to provide expert assistance in review of the proposals and for negotiation of agreements to assure that the criteria used and terms of any agreement are consistent with best practices within the industry insofar as addressing the City's concerns about land use regulation, public health, safety, and monitoring of operations for compliance with local regulations. As such, the City will be requesting that any applicant agree to cover the costs of retaining such an expert prior to negotiation of the Host Community Agreement...[Emphasis added].

A. QUESTION - Are applicants to understand that eligibility for a Host Community Agreement will be contingent upon agreeing to the City's request that they cover these costs? QUESTION - Is it the community impact fee as outlined in M.G.L. 94G, Section 3 intended to compensate municipalities for the type of cost described above?

B. QUESTION - The Massachusetts marijuana industry is a new and relatively close-knit group, it is difficult to imagine the existence of an expert capable of defining best practices for this specific industry existing outside of this community. Can the City of Springfield provide reassurances that any consultant engaged by the City to assist in the selection of applicants will not be conflicted by their arrangements or services to other companies within the marijuana industry in either Massachusetts or elsewhere?

#### City Response:

A. Outside attorney fees are authorized by M.G.L. c. 40A and by the Springfield Zoning Act and may be considered by the City Council in the zoning process. In addition, outside attorney or consultant fees are a direct impact and consideration of the impact and need to mitigate will also take into account the purpose/goal of M.G.L. c. 94G. As such, the consultant will not be held on contingency, but will be considered as stated above.

B. The consultant selected by the City covenants that it has no interest, nor shall it acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the services of the City Agreement.

<u>Item No. 8</u>: Why is the Public Presentation scheduled to be held prior to submission of the written RFQ/P Response?

<u>City Response</u>: The City scheduled public presentations prior to submission of the written RFQ/P response so proposers can provide information about the type and location of the proposed Marijuana Establishment and general information about the proposer

<u>Item No. 9</u>: How will proposers be able to present in a public setting confidential or proprietary portions of the not yet submitted proposal?

<u>City Response</u>: The proposer is not required to present confidential or proprietary portions of an anticipated proposal submittal in a public setting. The City strongly recommends that proposers omit any and all confidential or proprietary information from its public presentation.

<u>Item No. 10</u>: Won't the present schedule, public presentation before submission of written proposals, allow proposers to gain information about their competitors, tailor their written submission, and thereby gain unfair advantage?

City Response: The present schedule does not allow proposers to gain unfair advantage.

Item No. 11: Will the presentations be oral only, or will you utilize PowerPoint presentations?

<u>City Response</u>: Presenters will be allowed to select the method of presentation with the ability to utilize PowerPoint presentations if they choose to do so.

<u>Item No. 12</u>: Section 2 "Response Requirements," Paragraph A "Specific Submittal Requirements," Subparagraph ii. "Location" requires "A comprehensive analysis showing the site is in compliance with zoning requirements set forth in Section 4.7.110 of the City Zoning Ordinance, including buffer zones." Is a zoning opinion letter by an attorney the "comprehensive analysis" required by this specific submittal requirement?

<u>City Response</u>: A zoning opinion letter by an attorney is not required to meet the requirement set forth in Section 2 of RFQ/P 19-116 of "A comprehensive analysis showing the site is in compliance with zoning requirements set forth in Section 4.7.110 of the City Zoning Ordinance, including buffer zones." Rather, it is one way to meet this submittal requirement.

<u>Item No. 13</u>: Section 1 "Introduction," Paragraph A "Overview" indicates that the "City will select up to four (4) qualified enterprises seeking approval to operate as a Marijuana Establishment…" Enterprise is also a term used in Exhibit A. For purposes of the RFQ/P, is an "enterprise" a "Marijuana Establishment" as defined by the Springfield Zoning Ordinance Section 4.7.110?

City Response: Yes.

<u>Item No. 14</u>: Additionally, the RFQ/P uses the terms, "proposer," "entity" and "Marijuana Establishment applicants." Are these words, enterprise, proposer, entity, applicant, all interchangeable for the defined term "Marijuana Establishment?"

City Response: Yes, for purposes of RFQ/P 19-116.

<u>Item No. 15</u>: Section 2 "Response Requirements," Paragraph A "Specific Submittal Requirements," uses the terms, "entity," "main property entity," "local partners," "business" and "significant business units" and Exhibit A uses the term "affiliates". These terms are not defined. Will the City define these terms?

<u>City Response</u>: Entity, local partners, business and significant business units are defined as a Marijuana Establishment pursuant to 935 CMR 500.002. Main property entity does not appear in RFQ/P 19-116. Affiliates as used in Exhibit A "Consent and Recitals" refers to any person or business responsible for the operation and/or funding of the proposed Marijuana Establishment.

Item No. 16: Are they interchangeable?

<u>City Response</u>: Entity, local partners, business and significant business units are defined as a Marijuana Establishment pursuant to 935 CMR 500.002 and are interchangeable.

Item No. 17: What is the City's intent with the use of different terms?

<u>City Response</u>: The City is intending to be all encompassing when using these terms in an effort to include all entity types allowed to be licensed by the Cannabis Control Commission and allowed to operate a Marijuana Establishment pursuant to 935 CMR 500.000.

<u>Item No. 18</u>: Exhibit D "Form of Guaranty and Keep Well Agreement" refers to the Guarantor as "a Parent Company" (capitalized term) and then later in Recital B refers to Guarantor as "the ultimate parent company of Company" (not capitalized). Is "ultimate parent company" different than the "Parent Company"?

City Response: No, they are the same.

<u>Item No. 19</u>: How does either "ultimate parent company" or "Parent Company" differ from Exhibit A's use of the term "any parent company?"

City Response: They do not differ.

Item No. 20: Is the definition of Parent Company contained in the HCA Paragraph J 2 ii?

<u>City Response</u>: Yes, for the purposes of that template agreement and Exhibit D "Form of Guaranty and Keep Well Agreement".

Item No. 21: Exhibit D Recital A refers to the Host Community Agreement as ("HCA") and then "as the same may from time to time be amended ("Agreement" (sic)". Is the HCA the same as Agreement or does Exhibit D contemplate that amendments to the HCA will be referred to as "Agreement?" The NOW THEREFORE paragraph refers only to "Agreement" not "HCA." Are these the same documents? Or is the Form of Guaranty and Keep Well Agreement the "Agreement?" If so, Paragraph 15 refers to "this Guaranty. Is "Agreement" the same as "this Guaranty?"

<u>City Response</u>: Yes, "HCA" and "Agreement" are references to the same document and are interchangeable therefore the rest of the question is inapplicable.

<u>Item No. 22</u>: Is Exhibit A referred to in the HCA Paragraph J3 the same document marked Exhibit D to the RFQ/P?

<u>City Response</u>: Yes, these are the same documents.

<u>Item No. 23</u>: I am looking at a location for a retail cannabis dispensary for medical and recreational use. At the current time a temporary school is located just within 500 feet of the location. I understand the school will only be open for a short while longer as the permanent school has almost completed its renovations. Will we be restricted from the location we are looking at if the school is temporary?

<u>City Response</u>: There is no distinction made between a temporary school and a permanent school. At the time of proposal submittal, zoning requirements are not met if the proposed Marijuana Establishment is within 500 feet of any pre-existing public or private school providing education in kindergarten or any of grades one (1) through twelve (12) as measured from the nearest point of the property line in question to the nearest point of the property line.

**Item No. 24**: Also will the city consider lowering the 500 foot threshold if a location is just under 500 feet.

<u>City Response</u>: No, consideration will not be given to any proposed location for a Marijuana Establishment that is not in compliance with Section 4.7.110 of the Springfield Zoning Ordinance.

<u>Item No. 25</u>: Can a proposed marijuana shop operate, lease/own space on city or state owned properties?

<u>City Response</u>: No, a proposed Marijuana Establishment cannot operate on City owned or leased property. Please contact the state department that owns or leases the proposed property to answer that portion of the question above.

Sincerely,

Theo Theocles, Esq.
Deputy Procurement Officer

END OF ADDENDUM NO. 2